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SUBJECT: RUSSKIY ISLAND: FROM ICE FISHING PARADISE TO APEC HOST?

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11. (U) Summary. Consulate staff chose the coldest day of the season at minus 21 centigrade to visit Russkiy Island, the purported site of the 2012 APEC summit. It is immediately apparent that the island has a long way to go before it is ready to accept many international visitors, let alone host one of the world's major economic summits. While it has a reasonable one-lane road that circumnavigates the island, it almost entirely lacks stores, hotels, and other tourist infrastructure. There are doubts, furthermore, that a planned bridge to the island can be completed in time for the summit. At the moment, the island only serves local summer tourists who relax in relatively primitive conditions along the seaside. The island's relatively pristine nature and proximity to the city of Vladivostok make it an attractive location, however. If the government is serious about hosting APEC on Russkiy in four years, construction will need to begin soon. End summary.

ICY PASSAGE

- 12. (U) The 25-year-old ferry broke ice most of the way to the island, and some consternation arose when the regular noontime run was cancelled due to heavy ice, but the afternoon ferry came and "rescued" the travelers from the island. Russkiy has a long and proud history as a bulwark against invaders, guarding the Peter the Great Gulf with its heavy artillery emplacements on the island's highest points. While batteries capable of firing 250 kilogram missiles every 40 seconds still loom over the Gulf, Russkiy is now a tourist destination in the summer and a haven for ice fisherman in winter. The gun turrets are open to the public, even in winter, and the guide requests a minimum of an hour to show visitors all the ins and outs of military life at an artillery station. The bunks are still intact, and the museum boasts antique weapons, including an American rifle from World War I.
- 13. (U) Russkiy Island is home to some 4,000 year round residents. There are few shops, no restaurants, and no other amenities, but there is a public bus, and the ferry that most residents use to commute to Vladivostok. The 15km-by-20km island has a decent, one-lane dirt road circumnavigating it, but apart from that there is very little in the way of infrastructure. The only hotels on the island are summer "resorts" that would appear rather primitive to most international tourists or business travelers. In winter, almost nothing is open: we searched unsuccessfully from one end of the island to the other for a place to buy tea, which in even the smallest Russian town would not require such a pilgrimage.

SEE THAT BRIDGE?

14. (U) Residents we spoke to did not seem overly optimistic

about the chances of APEC turning life around on the sleepy island. One resident said the planned 3.2-km bridge to the island could not be built in time. There is a shorter stretch of water between Vladivostok and Russkiy, but that would require demolishing homes in the "elite" Egersheld district of Vladivostok, hence the longer span. Another used the Chernomyrdin quote that has almost become a Russian proverb about trying for the best, but ending up with the same old thing. There is already a joke about the bridge, perhaps recycled from Soviet times. A group of Russian officials visiting San Francisco were treated to a sumptuous reception. When the Russians asked where the money for the feast came from, the Americans pointed out a window and answered, "See that bridge? The tolls bring in revenues and the city prospers." year later it was the American turn to visit Vladivostok, where they too were hosted at a fine reception. When they asked how the reception was paid for, their Vladivostok hosts pointed out a window and answered, "We were thinking about building a bridge over there, but instead we used the money for this reception.

- 15. (U) In any case, Vladivostok itself is gearing up for change, with new hotel contracts reportedly being signed and talk of new international flights this spring. There is also talk about casinos, restaurants, an aquarium, and other amenities on Russkiy Island, but so far, there is no construction underway for any of these projects. Marriott and Accor Group, a French hotel company, are both reportedly planning to build hotels in downtown Vladivostok in advance of the APEC Summit, but no hotel chain has yet committed to Russkiy. Note: Diplomats have had on again off again access to Russkiy Island, On this trip, the local MFA and Border Guards assured us that the island is now completely open and indeed no documents were checked. It seems this issue was finally resolved during the last Consular Bilateral meeting in Washington. End note.
- $\underline{\ \ }$ 6. (U) Comment: Russkiy Island certainly looks pristine, and is a nice contrast to Vladivostok's busy streets. The ferry ride

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is part of the experience, and on this trip we even saw seals poking their heads through the ice and an eagle looking for scraps from the ice fishermen. Undoubtedly, something of the character of Russkiy Island would be lost in a massive development plan, but if done right, the island can still attract visitors with its picturesque bays and miles and miles of trees. As with so many critical issues in the Far East, the big decisions will be made in Moscow. No doubt the ice fishermen will make their way to Russkiy Island come what may. ARMBRUSTER